

## APPLICATION GUIDE

SMALL CITY, LARGE CITY, COUNTY FUND APPLICATION  
COMMUNITY ENHANCEMENT FUND APPLICATION  
SPECIAL FUND APPLICATION

ALABAMA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

FISCAL YEAR 2005

Alabama Department of Economic and Community Affairs  
401 Adams Avenue  
Post Office Box 5690  
Montgomery, Alabama 36103-5690

**FY 2005  
APPLICATION GUIDE  
Small City, Large City, and County Fund Applications  
Community Enhancement Fund Application  
Special Fund Application**

The following guide is designed to assist applicants in properly filling out CDBG applications for Small City, Large City, and County Funds (also referred to as the Competitive Funds), Special Fund and the Community Enhancement Fund projects. Additionally, the competitive projects that in previous years fell under either Single Purpose or Comprehensive Application formats will now use the same form. The information required for different Funds is, for the most part, similar. However, when information required for a particular Fund is distinct from other Funds, such information is covered under the specific Fund heading.

The applicant must adhere to this guide in responding to all items on the forms. Any variation from this guide may result in the application receiving an unfavorable funding decision. Any false data or misinformation may result in the applicant being disqualified from funding. The applicant, if necessary, may request further interpretation of the application forms or the following guide from the State CDBG staff.

The application forms are designed to give the State necessary information to review the applications. Information provided as an addendum to any item on the form, unless specifically indicated so, will not be considered by the State for review purposes. Applicants should limit their written responses to the space called for in the forms.

For Small City, Large City, and County Fund applications, responses to items B.1. through B.8. will be used to award points under the Nature of Benefits criterion. A direct and complete answer to each response is preferred.

**A cover letter from the Mayor/Chairman of the County Commission requesting CDBG funds from the State shall accompany all applications.**

The terms "applicant", "community", and "jurisdiction" are used interchangeably and are applicable to both cities and counties.

**A.1. Applicant**

The name of the eligible city or county that will principally benefit from the proposed CDBG project. If the applicant is a city, give the name of the county in which the city is located.

Mayor/Chairman

The name of the Mayor/Chairman of the County Commission, as applicable.

Applicant's Address/Telephone

The mailing address of the applicant, including the telephone number.

Contact Person

The name of the person preparing the application. This person will be called to answer any questions the State may have about the application.

Contact's Address/Telephone/FAX/e-mail address

The mailing address of the contact person, including the telephone and FAX numbers and e-mail address, where the contact person can be reached during business hours.

#### **A.2. CDBG Funds Requested**

The total amount of CDBG funds requested for all proposed activities. The total CDBG funds requested must not exceed the applicable grant ceiling.

#### **A.3. Small City, Large City Or County**

Indicate whether the applicant is a small city (2000 population of under 3,000 people), large city (2000 population of 3,000 and above), or a county.

#### **A.4. 2000 Population**

The applicant's total population from the 2000 census. If the City has annexed additional areas since the 2000 census, the State may consider a recent population count provided satisfactory documentation is submitted to verify the new count. Acceptance by either the Bureau of Census or the Secretary of State is satisfactory documentation.

#### **A.5. House District/Senate District/ Congressional District**

Indicate in which House, Senate, and Congressional District the proposed project is located.

#### **A.6. Need(s) Addressed**

The applicant shall show here the problem or need that is addressed, e.g., housing rehabilitation, water improvements, etc. The problem area addressed must correspond to the activities shown in Table C.1..

#### **A.7. Brief Description Of The Project**

The applicant shall briefly describe the project here by giving information about the type of activities, neighborhood where the project is located, number of beneficiaries, amount and source of other funds, etc.

#### **A.8. Checklist**

The applicant shall check each item in the checklist to insure the application includes all of the required information and that all assurances are properly executed.

#### **A.9. Certifications**

The applicant for Community Development Block Grant funds is required to follow a detailed citizen participation plan. Further, a resolution by the city council/county commission shall authorize the filing of the CDBG application by the Chief Local Elected Official. The law requires that the local government must hold at least one public hearing prior to filing the application to obtain the views of citizens on community development and housing needs, as well as provide other certifications. In the public hearing, the applicant shall furnish citizens with information concerning the amount of funds available for community development and housing activities, the range of activities that may be undertaken, a summary of the proposed project, and the estimated amount of funds proposed to be used for activities benefiting low and moderate-income persons.

The applicant shall show here the date of the resolution, and the date and place of the public hearing, and certify that it is following a detailed citizen participation plan which addresses all mandated citizen participation elements and that the information in the application is true and correct. The applicant shall remember that, upon funding, the State will monitor the grantee's record and performance to insure compliance.

## **SMALL CITY, LARGE CITY, AND COUNTY FUND APPLICATIONS (B.1. – B.8.)**

Items B.1. through B.8. discussed below apply to the Small City, Large City, and County Fund applications. Several of these items also apply to the Special and Community Enhancement Fund applications. Under those situations, a reference to these items is made under the Special and Community Enhancement Fund Application headings.

Small City, Large City, and County Fund applications are designed to be used by the eligible applicants to compete for funds under one of these Fund categories. These projects may consist of one or more activities that are designed to address single or multiple needs. The project may take a comprehensive approach designed to revitalize an identified project area (e.g. water, street, drainage, sidewalks, and parking to revitalize a downtown business area); be a stand-alone activity to address a specific need (e.g. extension of water lines to areas unserved by public water); or may undertake two or more activities in a general project area that together enhance the scope of the project (e.g. rehabilitation of existing sewer lines and repaving of streets, or street and sidewalk improvements together with the rehabilitation of houses occupied by low and moderate income households).

### **B.1. Assess briefly inadequacies associated with the housing and essential community development facilities including the needs of low and moderate income households in the applicant jurisdiction.**

The applicant shall assess community-wide needs associated with housing and essential community development facilities, and then assess needs and problems of low and moderate-income persons. The assessment shall be mostly in quantifiable terms supported by a brief narrative. The essential community development facilities generally include water, sewer, streets, and drainage, as well as other facilities such as parks, senior/community centers, fire stations, etc., which are considered to be important by the community. The assessment for the essential community development facilities shall generally contain the following information:

1. Housing – inventory of local housing stock by condition (sound, deteriorated, dilapidated), ownership, and housing type (mobile homes, apartments); identification of areas with concentrations of substandard units; and housing and housing subsidy needs of low and moderate-income persons.
2. Water Services - number, percent and location of households with inadequate or no access to potable water, including hook-ups to existing service; adequacy of water supply and storage; sufficiency of water pressure for fire protection; and water service needs of low and moderate-income persons.

3. Sewer Services - number, percent and location of households without public sewer or adequate service hook-ups to existing sewer; adequacy and appropriateness of sewage collection and treatment facilities; use and acceptability of septic tanks; and availability of sewer services to low and moderate-income households.
4. Streets – assessment of general street conditions, including the identification of unpaved, deteriorated, and unsafe streets; and adequacy of streets in areas with concentrations of low and moderate-income households.
5. Flood and Drainage Facilities - identification of areas and households, including low and moderate-income households, who are susceptible to bad drainage conditions shown by frequent flooding and property damage caused by standing water.

In those instances where the need selected significantly benefits persons residing outside the applicant's legal jurisdiction, give a separate description of all needs in that area (water, sewer, housing, etc.) as well.

If a significant portion of the proposed project is located outside of the locality's legal jurisdiction, then the application must show why this is a more critical need than all other needs currently existing within the jurisdiction.

The written assessment must be kept to no more than five pages. The applicant may supplement the written assessment with charts, maps, pictures, and other documentation. Repetition and verbosity will not help the project's fundability.

**B.2. Identify the community development need(s) the applicant chooses to address and briefly indicate reasons.**

Out of the community development needs assessment in B.1. above, the applicant shall identify the need(s) it chooses to address using CDBG funds and give reasons why the applicant has chosen to address the specific need(s). The Alabama CDBG program requires the community to address its essential needs first. The determination of essential needs is left up to the applicant. The applicant's response here shall clearly indicate that the need(s) the applicant has chosen to address is (are) in fact most essential to the community.

This is an extremely important category and the reasons and justifications presented here will influence the fundability of the application in a significant way.

As stated previously, the applicant may chose to propose a stand-alone activity such as an extension and/or rehabilitation of water or sewer lines, street improvements, or drainage improvements; two or more activities such as a water and/or sewer lines in association with street improvements in a general project area to enhance the scope of

the project; or multiple activities such as water, street, drainage, sidewalks, and parking to revitalize a downtown business area. The reasons cited by the applicant for choosing to address a specific need(s) will be reviewed during one or more site visits. The site visits will be used both to verify the accuracy of the information presented as well as to make a determination of the effective and efficient use of CDBG funds to address proposed needs.

The written text must be limited to no more than four pages. Appropriate evidence and/or documentation (letters, pictures, reports, newspaper articles, etc.) may be used in support of the project.

**B.3. Describe all proposed activities and for each activity show estimates of the quantity and unit cost of all major items, including the cost of professional and administrative services.**

The applicant shall describe the proposed CDBG program including each of the program activities shown in Table C.1. The applicant shall also show estimates of the quantity and unit cost of all major cost items, including the cost of all professional and administrative services associated with each activity.

The description of the proposed CDBG activities must be brief, but thorough. For example, for housing rehabilitation, the applicant must specify if the program will involve full or partial rehabilitation of units; (i.e. Southern Standard Housing Code or Section 8 Quality Standards) income and grant/loan ceilings; selection of recipients; acquisition of specific properties; code enforcement; and program administration. For activities consisting of water, sewer, and drainage improvements, the applicant must give information about the location, quantity, dimension and material for major items such as pipes, manholes, pumping stations, tanks, wells, culverts, and ditches; acquisition of rights-of-way, if necessary; and engineering and inspection. Similarly, for neighborhood centers, parks, and playgrounds, the applicant must give information related to size and location of the facility; different amenities proposed; acquisition of land if necessary; major site improvements; and architectural, engineering, and inspection.

For housing rehabilitation projects, describe the housing rehabilitation standards to be met for both complete and partial rehabilitation. Additionally, include costs for hiring a qualified housing rehabilitation professional to inspect and certify rehabilitation activities. A qualified rehabilitation professional includes local building inspectors, code enforcement officers, certified housing rehabilitation inspectors, licensed housing inspectors, or individuals with extensive experience with housing rehabilitation inspection.

The applicant's estimate of major cost items shall be reasonable and accurate. Excessive or inflated costs will penalize the applicant under the cost per beneficiary. It should also be noted, the actual connection of low and moderate-income residential households to water and/or sewer collector lines is an eligible CDBG activity and the cost of making the service connections (service lines, etc.) must be clearly identified in

the B.3. cost estimate and must be shown as a water/sewer hook-ups activity in Table C.1. of the application.

If funded, the applicant will be responsible to ensure that low and moderate-income beneficiary households are in fact adequately connected to the system. The only exceptions will be low and moderate-income customers who specifically refuse in writing to be connected to the system; those households who cannot be connected due to unreasonable and/or excessive cost; vacant units; or other such unforeseen situations where existing physical conditions, ownership questions, or other circumstances restrict connection of low and moderate-income beneficiary households to the system. If, at the time of application submission, the applicant knows that not all LMI beneficiary households will be connected to the system, then a thorough explanation of the reasons for excluding these housing units must be provided. If funded, the applicant must provide adequate documentation in the CDBG files for any omission of a service connection to a low and moderate-income household.

Under the opinion issued by the Alabama Attorney General, the applicant has the ability to provide for the water and sewer hook-ups of all households, so long as the local governing body has determined that to do so will serve a public purpose. If the local governing body has made such a determination, then local funds and resources can be budgeted to provide for hook-ups. Under such a circumstance, the applicant, as a minimum, shall provide a resolution that shows the local governing body's determination of public purpose. The applicant is reminded that CDBG funds may only be used to hook up low and moderate-income households.

All activities described here shall be referenced to a map which shall become a part of the application. The map shall be at an appropriate scale, sufficiently detailed and adequately coded to easily identify all of the proposed activities with appropriate dimensions and other relevant information. The map(s) shall not be too large to be conveniently filed. If the proposed activities include housing rehabilitation, the application shall include a map showing structural conditions of residences in the target areas as well as the residential type (e.g. mobile homes) and potential units slated for rehabilitation. The map(s) should show landmarks (churches, etc.), if there are any; and, streets and street names on the map should correspond to the actual streets and street signs in the project area. As stated before, site visits play an important role in the application evaluation process, and the State's ability to conduct these visits factor into funding decisions.

**B.4. (i) Complete the Project Beneficiaries Table, and (ii) Describe in detail the methodology used to determine the data shown in the table. If the project involved a survey of the project area, provide survey maps and survey tally sheets (including street addresses) keyed to the survey maps.**

(i) The applicant shall identify on the Table B.4. Project Beneficiaries Table (page 12 of the application forms) the total direct beneficiaries for each activity shown in



Table C.1. and of those direct beneficiaries, show by number, percent, and household the beneficiaries who are (1) very low income persons; (2) low income persons; and (3) moderate-income persons. Likewise, the applicant shall identify beneficiaries by specific ethnicity and race, and whether disabled and female-headed households. Only the persons who are unquestionably benefiting directly and substantially must be counted as direct beneficiaries. The term "direct beneficiaries" will be interpreted strictly and listing of questionable or inflated figures as direct beneficiaries may adversely affect the entire application. The following shall be used as a guide by the applicant to determine the number of direct beneficiaries. The applicant proposing an activity not shown below must carefully explain the basis for the determination of direct beneficiaries.

1. Acquisition/Relocation - Persons to be relocated as a result of acquisition.
2. Housing Rehabilitation - Persons living in dwelling units which are to be rehabilitated.
3. Water Services - Persons living in dwelling units which are to be served by the extension of new water lines or the improvement of existing lines.
4. Water Storage Tank, Pump, and/or Treatment Facility - New customers who may be served by the proposed facility. For facilities which are proposed to upgrade an existing system, the number of direct beneficiaries will equal the ratio of proposed increase to total proposed capacity (existing plus increase) times the number of existing customers. For example, if the proposed tank will increase the water storage capacity from 100,000 gallons to 200,000 gallons then the number of direct beneficiaries will be 50 percent of the existing customers.
5. Sewer Services - Persons living in dwelling units which are to be served by the extension of new sewer lines or the improvement of existing lines.
6. Street Improvements - Persons living in dwelling units along the streets which will be paved or resurfaced or persons who have to use certain (proposed) streets to access their residences.
7. Drainage Improvements - Persons living in dwelling units which will receive relief from the damaging effects of flooding and standing water.
8. Parks, Playgrounds, Neighborhood Centers, and Senior Centers - Those persons who can be identified and documented with reasonable accuracy to be the actual users of the proposed facility.

9. Redevelopment of Downtown or Neighborhood Business Centers – Unless the project is qualified as slum and blight, those residents living in the vicinity of the commercial area who depend on the business establishments for their shopping needs.

(ii) The applicant shall describe here in detail the methodology used to determine total direct beneficiaries, and of those direct beneficiaries, the beneficiaries who are very low, low, and moderate-income persons. Very low, low and moderate-income levels are established by HUD and are based on applicable median incomes for the county. Likewise, the applicant shall identify the ethnicity and race of the beneficiaries and further indicate if the beneficiaries are disabled, and belong to female-headed households.

The applicant should be advised that the percentage of very low, low and moderate-income persons benefiting from the proposed activities is used as a rating factor for Small City, Large City, and County Fund applications. If all activities do not serve the same (or virtually the same) beneficiaries, the percentage of persons served by the activity that, in the State's opinion, will have the most impact will determine the percent low and moderate-income used as a rating factor. The State may determine the points for this category based on either the activity with the most impact or use a weighted average using two or more activities. In no instance will an activity servicing less than 51 percent low and moderate-income persons be funded, unless it meets some other national objective of the CDBG program. In such a case, the project will score full points under the LMI benefit category.

The applicant has the option to use any reasonable method which would give an accurate estimate. However, the method used by the applicant should be acceptable to the State. Examples of computing very low, low and moderate-income beneficiaries include (1) actual survey of the residents in the project area, and (2) use of the most current Census data for the nearest census units such as an Enumeration District. However, census data may only be used where the project area is clearly much the same as the Enumeration District in terms of boundaries as well as demographics. For a project which is community-wide in scope, the percent of very low, low and moderate-income beneficiaries will be generally the same as the percent of very low, low and moderate-income persons in the jurisdiction.

To determine income levels in the project area by survey, the applicant must use a survey instrument that contains all the information provided in the State survey form (see sample form), must reach the required survey sample size, and achieve the minimum response rate (see Alabama CDBG Intergovernmental Policy Letter No. 22, Revision 3). Furthermore, if the applicant does not conduct a 100 percent sample, the methodology must explain in detail how the randomness of the survey sample was determined.

The applicant is advised to use the “Handbook of Procedures for Estimating Income Levels in Community Development Project Area” prepared by Dr. John G. Heilman of Auburn University, together with the State approved survey samples and response rate. Copies of these documents may be obtained from the State. When an income survey of project area households is done, one copy of the complete survey must be kept in the program files along with a map showing a numerical correlation of surveys to households in the project area. This survey is subject to inspection by the ADECA Application Rating Team and will be monitored to verify eligibility should the project be funded. **The applicant shall submit with the application survey map(s) and survey tally sheet(s) (including street addresses) numerically keyed to the survey map(s).**

**B.5. Describe, and if possible quantify, how extensive an impact the project will have in addressing the needs of the project area and/or community. Also, discuss any indirect benefits.**

The applicant shall describe qualitatively and, if possible, quantitatively, the impact the project will have in addressing the needs of the project area and/or community. Likewise, the applicant shall identify and explain the indirect benefits, if any, the proposed project will have. Indirect benefits are those which are not as direct and obvious as those identified in B.4. such as increased water pressure, lower fire insurance rating, and additional water reserve when the proposed activity completes the loop or adds to the existing pumping capacity. For Small City, Large City, and County Fund applications, this category works in concert with B.4. to allow the State to determine if the project’s impact on the neighborhood and/or community will be meaningful. If the project consists of more than one activity, the applicant shall show how together these activities enhance the scope of the project.

**B.6. Discuss what resources the applicant has available or what provisions have been made to operate and/or maintain the proposed facilities/improvements.**

Maintenance of CDBG funded improvements is important to protect the investment of CDBG funds. The applicant can address the question of maintenance by showing if the locality (1) has appropriate utility departments and maintenance crews, (2) allows for sufficient funds in the local budget for maintenance purposes, (3) may not have allowed past community improvements to deteriorate, and/or (4) practices concerted code enforcement.

For applications proposing to construct or renovate a public facility such as a neighborhood or senior center that requires operational expenses, the applicant must show where the funds will come from to meet the daily operational expenses of the proposed facility on a long-term basis. If the improvements are to be operated and maintained by an entity other than the applicant, include a resolution from the entity for the operation and maintenance of the improvements.

**B.7. Indicate and explain the estimated useful life of the proposed improvements.**

The applicant shall indicate, with respect to normal usage, maintenance, etc., how long it can be reasonably assumed the proposed improvements will function properly without the need for major repair, rehabilitation, or replacements. Describe in detail the type of materials/equipment to be used and the estimated useful life of all major components of the project such as water treatment equipment, well pumps, sewage pumping stations, etc. Also, be sure to explain if the proposed activities will be a stopgap measure or the permanent solution to the problem.

**B.8. Indicate why the request for CDBG funds is considered appropriate for the proposed improvements. For revenue producing activities, such as water and sewer, please give current and historic rates.**

The purpose of this category is to allow the State the flexibility to consider the project from several different viewpoints such as the local funds and other resources committed to the project, provision of hook-ups for water and sewer line extensions, utility (e.g., water and sewer) rates, citizen input, innovative approaches to addressing needs, urgency/criticalness, cost effectiveness of activities, CDBG funds requested, community's designation as an empowerment and/or renewal community, etc. Information presented throughout the application will be considered under this category. This category commands a larger number of points under the Small City, Large City, and County Fund categories and all factors the State considers relevant will be used to determine the appropriateness of the CDBG fund request.

**SPECIAL FUND APPLICATIONS (B.1. – B.7.)**

The State CDBG Special Fund can be used for eligible CDBG activities which are necessary to address critical health and safety needs of residents in an area or a community, or otherwise address urgent needs of recent origins, generally resulting from a disaster or other unforeseen occurrence. Recent origin is generally defined as those needs occurring during the past eighteen months. Items B.1. through B.7. listed below apply to Special Fund applications. A discussion is provided only for those items which differ from those discussed under the Small City, Large City, and County Fund Applications. Otherwise, only a reference is made to specific items under the Small City, Large City, and County Fund Applications.

**B.1. Assess briefly inadequacies associated with the housing and essential community development facilities including the needs of low and moderate-income households in the applicant jurisdiction.**

See B.1. Small City, Large City, and County Fund Applications.

**B.2. Identify the community development need the applicant chooses to address and briefly indicate reasons.**

Out of the community development needs identified in B.1. above, the applicant shall identify the need it chooses to address using CDBG Special Funds. The applicant must clearly document the existing conditions that pose a serious and immediate threat to the health, safety, or welfare of the community. This documentation may include such items as:

1. The results of private well testing in the project area to determine the presence of contaminated drinking water.
2. An analysis of the incidence of septic tank failures (raw sewage on the ground) in the project area to indicate the prevalence of fecal contamination. **A sample survey form for on-site waste water disposal system is provided at the end of this guide.**
3. An inspection of the houses in the target area to verify damage caused by frequent flooding and standing water.
4. Photographs of damaged/deteriorated streets in the project area that pose a critical safety threat to motorists and/or pedestrians.

**B.3. Describe all proposed activities and for each activity show estimates of the quantity and unit cost of all major cost items, including the cost of professional and administrative services. Projects involving water and sewer extensions must provide for hook-ups of low and moderate-income households.**

See B.3. Small City, Large City, and County Fund Applications. In addition, provide a target area map showing the location of all documented health/safety concerns in the project area including the location of test sites and housing units showing contamination. If the applicant proposes to construct bathroom facilities in dwelling units lacking such facilities, then the applicant must give a detailed description of this construction, including the location of the households, cost estimates, policies governing such assistance and grant ceilings.

**B.4. (i) Complete the Project Beneficiaries Table, and (ii) Describe in detail the methodology used to determine the data shown in the table. If the project involved a survey of the project area, provide survey maps and survey tally sheets (including street addresses) keyed to the survey maps.**

See B.4. Small City, Large City, and County Fund Applications.

**B.5. Discuss what resources the applicant has available or what provisions have been made to operate and maintain the proposed facilities/improvements.**

See B.6. Small City, Large City, and County Fund applications.

**B.6. Explain how the proposed approach is the most cost-effective resolution to the problem(s) identified in the application. Discuss alternative solutions and associated costs.**

Explain how the proposed approach is the most cost-effective resolution to the problem(s) identified in the application. If the cost per beneficiary exceeds the ceilings established for Competitive Fund projects, explain the reasons why a more economical approach cannot be implemented. Also, discuss alternative solutions and associated costs.

**B.7. Indicate why the request for CDBG funds is considered appropriate for the proposed improvements. For revenue producing activities, such as water and sewer, please give current and historic rates and explain in detail why these rates cannot be increased to pay for proposed improvements.**

The applicant shall explain why the request for CDBG funds is appropriate from the standpoint of the applicant's inability to provide for these improvements through the applicant's own existing or potential resources. For revenue producing activities such as water and sewer, the applicant shall show current and historic rates (at least for the last 5 years) and explain in detail why these rates cannot be increased to pay for the proposed improvements. The purpose of this item is to determine whether the CDBG funds would be used simply to subsidize communities which have chosen not to use their full revenue potential to address local needs.

**COMMUNITY ENHANCEMENT FUND APPLICATIONS (B.1. – B.6.)**

The State CDBG Community Enhancement Fund can be used for eligible CDBG activities which communities consider important to enhance the quality of life for the area/community residents in a manner beyond providing for the most basic and essential needs. Community Enhancement projects may consist of activities designed to address needs of a specific group of residents such as senior citizens (senior citizen center) or young adults (boys and girls club), or an entire community (community center, fire station, or a weather siren). The application evaluation process for Community Enhancement projects will be somewhat subjective and depend a great deal on the staff's impression of the project's impact to address needs in a meaningful way. The local resources committed to project, project's cost effectiveness, and operations and maintenance capacities are associated issues that will impact the project's evaluation.

Items B.1. through B.6. listed below apply to Community Enhancement Fund applications. A discussion is provided only for those items which differ from those under

the Small City, Large City, and County Fund Applications. Otherwise only a reference is made to specific items under the Small City, Large City, and County Fund Applications.

**B.1. Assess briefly inadequacies associated with the housing and essential community development facilities including the needs of low and moderate-income households in the applicant jurisdiction.**

See B.1. Small City, Large City, and County Fund Applications.

**B.2. Identify the community development need the applicant chooses to address and indicate the extent that the project will impact the identified community development need(s) addressed.**

Out of the community development needs identified in B.1. above, the applicant shall identify the need it chooses to address using Community Enhancement Funds. The applicant must clearly identify the target group, if any, and be specific as to how the proposed needs are real and currently either not met or under-met. The applicant must avoid the activity purely based on speculation, i.e., “build it and they will come”. Active citizen involvement and input will help towards justification of need. Likewise, photographs, media reports, and other evidentiary material can help document the need.

**B.3. Describe all proposed activities and for each activity show estimates of the quantity and unit cost of all major cost items including property acquisition, professional services, water/sewer line hook-ups, and /or equipment. Provide appropriate maps showing location of proposed activities.**

See B.3. Small City, Large City and County Fund Applications. In addition, if the project involves construction or renovation of buildings, the application must identify the name of the architect/engineer or licensed contractor who provided the cost estimates.

**B.4. (i) Complete the Project Beneficiaries Table, and (ii) Describe in detail the methodology used to determine the data shown in the table. If the project involved a survey of the project area, provide survey maps and survey tally sheets (including street addresses) keyed to the survey maps.**

See B.4. Small City, Large City, County Fund Applications.

**B.5. Describe the local commitment (manpower and dollars) for the long-term operation and maintenance of the proposed facility or improvements.**

Ability to maintain and provide for the long term operation of CDBG funded activities is important to protect the investment of CDBG funds and assure that the project will deliver the intended benefits to the projected target group. The applicant can address the question of maintenance and operation by enumerating projected maintenance and operational expenses such as the cost of personnel, utilities, insurance, etc., and showing capacity in terms of available manpower, dollars, and necessary equipment to meet the maintenance and operational needs of the project. If the improvements are to be operated and maintained by an entity other than the applicant, include a resolution from the entity for the operation and maintenance of the improvements.

**B.6. Indicate why the request for CDBG funds is considered appropriate for the proposed improvements.**

The applicant shall show the importance of the proposed activities and explain why the request for CDBG funds is appropriate from the standpoint of the applicant's inability to provide for these improvements through the applicant's own existing or potential resources. If the activities consist of water and sewer improvements, show current and historic rates and explain why these rates cannot be increased to pay for the proposed improvements.

**TABLE C.1. FUND USAGE AND BENEFIT TABLE**

Activity - The applicant shall fill out Table C.1. by listing all activities including the administrative fees. The number of activities will depend on whether the applicant is proposing a stand-alone activity to address a specific need, two or more activities in a general project area to address multiple needs, or several activities to comprehensively revitalize an identified project area.

Total Activity Cost (Column A) - Under Column A, the applicant shall show total cost for each of the applicable activities listed in the Activity column. The cost for each activity must be the total costs necessary to complete the activity. For example, if the proposed activity consists of sewer lines, the cost of engineering, acquisition of easements and contingencies, if necessary, must be included in the total activity cost for sewer facilities. The total cost for each activity must equal the sum of CDBG (Column B) and Other Dollars (Column C). Administrative costs shall include both project management as well as other administrative costs related to each activity and must not exceed ADECA authorized limits (see State CDBG Intergovernmental Policy Letter No. 12(a), Revision 1, Dated November 26, 2001.)

CDBG Dollars (Column B) - Under Column B, the applicant shall list the CDBG funds to be spent for each of the proposed activities including administrative costs.



Other Dollars (Column C) - Under Column C, the applicant shall list all other dollars other than requested CDBG Dollars which are to be spent for proposed activities. Other Dollars must include all State and Federal loans and grants, local match, and private dollars. If local match is in in-kind services, such should be assigned reasonable dollar value based mostly on actual costs involved. The Other Dollars will be governed by the same rules, regulations and policies which apply to CDBG funds.

Column (B) As % of (X) (Column D) – Under Column D, the applicant shall list the CDBG cost of each activity as a percent of the total CDBG program cost less administrative fees. The applicant should compute this percent by dividing the cost of each activity shown in Column B by the program activities cost denoted by (X) and multiplying by 100. The percent figure should be computed to the nearest whole number.

Number of Direct Beneficiaries (Column E) – The applicant shall list the number of persons to benefit directly and substantially from each of the proposed activities.

Column B ÷ E- The applicant shall list the number of CDBG dollars to be spent per beneficiary for each activity by dividing the CDBG cost from Column B by the number of direct beneficiaries from Column E. The applicant shall remember that for Small City, Large City, and County Fund applications, per beneficiary "ceilings" of \$14,500 for relocation; \$12,000 for housing rehabilitation; and \$3,000 for all other public facilities have been established. All ratios at or below this level will receive maximum points for that activity. For projects involving two or more activities (other than administrative fees), a weighted average will be used to assign points under the Cost/Benefit Ratio.

## **TABLE C.2. MATCH RATIO TABLE**

Total Program Cost (a) - Under Total Program Cost, the applicant shall list the total cost of all proposed activities including administrative costs. This is the same figure as shown in (Y) in Table C.1.

CDBG Dollars Requested (b) - Under CDBG Dollars Requested, the applicant shall show total CDBG funds to be spent for all proposed activities including administrative costs. This is the same figure as shown in (Z) in Table C.1.

Other Dollars (c) - Under Other Dollars, the applicant shall show all other funds to be spent on the proposed activities. Other Dollars can be obtained by subtracting CDBG Dollars (b) from Total Program Cost (a). Other dollars include State and Federal grants and loans, local match, local in-kind, private dollars, bond proceeds, and contributions of cash and voluntary work by profit or nonprofit organizations.

Other (Non-CDBG) State and Federal Grant Funds (d) - The applicant shall show the Non-CDBG State and Federal Grant Funds, if any, included in Other Dollars above.

Local Cash Match (e) - The applicant shall show the amount of cash from local sources (general fund, loan proceeds, bond issue, etc.) that will be applied to the project.

Local In-Kind Match (f) - The applicant shall show the amount of local in-kind contributions (labor, equipment usage, voluntary work, etc.) and/or homeowner contributions for housing rehabilitation grants that will be applied to the project.

Total Local Match (g) – Add Local Cash Match (e) to Local In-Kind/Homeowner Contributions (f) to get this figure.

Ratio of Total Local Match to CDBG Dollars (h) – To obtain this ratio, the applicant shall divide the total local match (g) by CDBG Dollars requested (b). The ratio shall be computed up to two (2) decimal points (e.g. 1.25).

**C.3. If local (non-State and Federal) match ratio is less than 10 percent of CDBG dollars requested, does the applicant have a population of 1,000 persons or less according to the 2000 Census?**

If the applicant is providing a local match of 10 percent or more, check “N/A”. Otherwise, check “Yes” if the applicant’s population is 1,000 or less, or check “No” if the applicant’s population is more than 1,000 according to the 2000 Census.

Yes \_\_\_\_\_ No \_\_\_\_\_ N/A \_\_\_\_\_

**C.4. Identify below the amount, source, and contact person for each of the items included in Line c (Other Dollars) of Table C.2.**

The applicant shall identify the amount, source and contact person for all monies included under Other Dollars. The applicant must attach documentation of a firm commitment of Other Dollars. If Other Dollars include local match (cash or in-kind), the applicant must attach a copy of the Resolution passed by the council/commission documenting local match. If Other Dollars consist of private funds such as homeowner contributions for housing rehabilitation grants, the local resolution shall recognize that, upon funding, if these private dollars do not become available the locality will be obligated to provide these dollars from local sources. Also, for housing rehabilitation projects where property owner participation is proposed as match, the applicant must clearly show the sources of available grant and/or loan funds to assist homeowners with limited financial resources. Failure to provide sufficient documentation of the availability of Other Dollars will result in the forfeiture of some or all rating points allocated to this aspect of the application.

**C.5. Indicate whether the requested CDBG dollars, in addition to other available funds shown in Table C.1., would be sufficient to complete the proposed**

**activity enabling it to “stand alone” without other funds and achieve the benefits identified in Table B.4.**

The applicant shall simply check the appropriate space if the answer is “yes”. If the answer checked is “no”, the applicant shall clearly explain whether and how benefits shown in Table B.4. are to be realized.

## **CERTIFIED ASSURANCES**

The Certified Assurances form must be completed and signed by the Mayor/Chairman of the County Commission. It must be included in the application submission. The Certified Assurances Form includes:

### **General/Special State Assurances**

Many State and Federal laws, rules and regulations apply to the Community Development Block Grant Program. The applicant shall assure and certify compliance with these laws, rules and regulations under the signature of the Mayor/Chairman of the County Commission. The applicant shall remember that, upon funding, the State will monitor the grantee's record and performance to insure compliance. The local elected officials are strongly encouraged to review and understand State and Federal requirements to avoid any violations.

### **Anti-Displacement Assurance**

Section 104 (d)(1) of the Housing and Community Development Act of 1974, as amended, contains requirements for a residential anti-displacement and relocation assistance plan. The applicant shall assure and certify compliance with these requirements under the signature of the Mayor/Chairman of the County Commission.

### **Certification For Contracts, Grants, Loans, And Cooperative Agreements**

The applicant shall properly execute this certification assuring that no lobbying efforts were or will be involved in the award of the grant.

### **Certification Regarding Survey**

If a survey is undertaken to determine the project beneficiaries, it is essential that such survey be conducted with full regard to obtaining accurate information. Failure to conduct a survey with less than full regard for accuracy could result in adverse consequences.

## **Certification Regarding Excessive Force**

In accordance with Section 519 of Public Law 101-140, the applicant shall certify that it has adopted and is enforcing a policy of prohibiting the use of excessive force by law enforcement agencies.

## **PUBLIC DISCLOSURE REQUIREMENTS**

Accountability in the Provision of HUD Assistance mandates the public disclosure of individuals who financially benefit from a CDBG grant. This pertains to any contractor, developer, consultant, engineer, etc. who has a financial interest of ten percent (10%) of the grant amount or \$50,000, whichever is less, in the proposed project. The public disclosure form provided in the application must be filled out to the extent applicable at the time of submission, and the applicant shall certify compliance with this requirement under the signature of the Local Chief Elected Official. Instructions for completing the Disclosure Report are shown on the following pages.

## INSTRUCTIONS FOR COMPLETION OF DISCLOSURE REPORT

All applicants for CDBG grants must complete and submit, with their applications, Parts I and II of the Disclosure Report. At the completion of Part II of the report, some applicants will find that they must complete Parts III, IV, V, and VI of the Report.

Part I requires the applicant's name, address, phone, and Federal Employer Identification number; indication as to whether this is an initial report or an update (all applicants will check the initial report box); the fiscal year CDBG funds subject to the disclosure; a check as to whether the disclosure is related to a CDBG grant or grant (loan) application; the amount of CDBG funds being requested; the amount of any CDBG program income that will be used with the CDBG grant; and, the total amount (grant and program income).

Part II asks two questions. If the answer to both questions is "no", the applicant must provide the certification at the end of Part II, but is not required to complete the remainder of the report. If the answer to either question is "yes", then the applicant must complete the remainder of the Report.

Part III requires information on any other Federal, State and/or local assistance that is to be used in conjunction with the project.

Part IV requires the identification of interested parties. Interested parties are persons and entities with a reportable financial interest in the project. If an entity is being disclosed, the disclosure in Part IV must include an identification of each officer, director, principal stockholder or other official of the entity. All consultants, developers or contractors involved in the application for CDBG assistance, or in the planning, development, or implementation of the project, must be identified as an interested party. Also, any other person or entity that has a pecuniary interest in the project that exceeds \$50,000 or 10 percent of the CDBG assistance, whichever is lower, must be listed as an interested party. Pecuniary interest means any financial involvement in the project, including (but not limited to) situations in which a person or entity has an equity interest in the project, shares in any profit or resale or any distribution of surplus cash or other assets of the project or receives compensation for any goods or services provided in connection with the project. (The following are not considered interested parties: local CDBG administrative staff, recipients of housing rehabilitation assistance, and rehabilitation contractors as long as the rehabilitation agreement is between the property owner and the contractor.)

It is realized that at the time of application, applicants may not be aware of all interested parties since contracts and agreements for goods and services are not awarded until after notice of grant award. Subsequent to grant award, as projects are being implemented, funds will be committed to interested parties which will necessitate the submission of an updated Disclosure Report. However, if an applicant for CDBG funds identifies, under Part III of the Disclosure Report, other governmental assistance that is to be used in conjunction with projects funded with CDBG funds, and if these other funds have been committed to interested parties, then these interested parties must be identified in Part IV of the initial report.

Part V requires applicants to identify the sources and uses of all funds to be used in conjunction with the CDBG funded project. The sources and uses must include all the other assistance identified in Part III as well as the CDBG funds identified in Part I, Items 3c) and 3d).

Part VI requires the certification of the Chief Elected Official.

## **APPENDIX A**

This Appendix contains a list of all the HUD Programs that are subject to the disclosure requirements of Subpart C of 24 CFR Part 12. All applicants for CDBG assistance must review this list to determine if they are receiving, or expect to receive, assistance from other covered programs besides CDBG. Applicants must consider HUD funds that are received either directly from HUD or through the State. The State administered CDBG Program is listed at item 3(v).

It is the total amount of funds received from all the below sources that the applicant uses to answer the second question of Part II of the Disclosure Report.

(1) Section 312 Rehabilitation Loans under 24 CFR Part 510, except loans for single family properties.

**(2) Applications for grant amounts for a specific project or activity under the Rental Rehabilitation Grant program under 24 CFR Part 511 made to:**

- (i) A State grantee under Subpart F;
- (ii) A unit of general local government or a consortium of units of general local government receiving funds from a State or directly from HUD (whether or not by formula) under Subparts D, F, and G; and
- (iii) HUD, for technical assistance under Section 511.3.

(Excludes formula distributions to States, units of general local government, or consortia of units of general local government under Subparts D and G, within yearly reallocations under Subpart D, and the HUD administered Small Cities program under Subpart F.)

(3) Applications for grant amounts for a specific project or activity under Title 1 of the Housing and Community Development Act of 1974 made to:

- (i) HUD, for a special Purpose Grant under Section 105 of the Department of Housing and Urban Development Reform Act of 1989 for technical assistance, the Work Study program or Historically Black colleges,
- (ii) HUD, for a loan guarantee under 24 CFR Part 470, Subpart M;
- (iii) HUD, for a grant to an Indian tribe under Title 1 of the Housing and Community Development Act of 1974; and
- (iv) HUD, for a grant under the HUD-administered Small Cities program under CFR Part 570, Subpart F; and

- (v) A State or unit of general local government under 24 CFR Part 570.
- (4) Applications for grant amounts for a specific project or activity under the Emergency Shelter Grants program under 24 CFR Part 576 made to a State or to a unit of general local government, including a Territory.
- (5) Transitional Housing under 24 CFR part 577.
- (6) Permanent Housing for Handicapped Homeless Persons under 24 CFR Part 578.
- (7) Section 8 Housing Assistance Payments (only project-based housing under the Existing Housing and Moderate Rehabilitation programs under 24 CFR Part 882, including the Moderate Rehabilitation program for Single Room Occupancy Dwellings for the Homeless under Subpart H).
- (8) Section 8 Housing Assistance Payments for Housing for the Elderly or Handicapped under 24 CFR Part 885.
- (9) Loans for Housing for the Elderly or Handicapped under Section 101 of the Housing Act of 1959 (including operating assistance for Housing for the Handicapped under Section 162 of the Housing and Community Development Act of 1987 and Seed Money Loans under Section 106(b) of the Housing and Urban Development Act of 1968).
- (10) Section 8 Housing Assistance Payments – Special Allocations – under 24 CFR Part 886.
- (11) Flexible Subsidy under 24 CFR Part 219 – both Operating Assistance under Subpart B and Capital Improvement Loans under Subpart C.
- (12) Low-Rent Housing Opportunities under 24 CFR Part 904.
- (13) Indian Housing under 24 CFR Part 905.
- (14) Public Housing Development under 24 CFR Part 941.